

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

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OFFICE OF ENFORCEMENT AND COMPLIANCE ASSURANCE

FIRST CLASS MAIL

Robert L. Gronewold
Manager, Corporate Environmental Affairs
Tesoro Petroleum Companies, Inc.
3450 South 344th Way, Suite 100
Auburn, WA 98001 - 5931

D. Jeffery Haffner, Esq.Tesoro Petroleum Corporation300 Concord Plaza DriveSan Antonio, TX 78216-6999

RE:

<u>United States v. BP Exploration & Oil Co.</u> - Civil Action No: 2:96 CV 095 RL Acid Gas Flaring Incident, on February 25, 2004, at the Mandan Refinery, Mandan, North Dakota

Dear Sirs:

The United States Environmental Protection Agency (EPA) received the report dated March 25, 2004 detailing the root cause failure analysis for the February 25, 2004 acid gas flaring incident at the Tesoro Petroleum Companies, Inc. (Tesoro) refinery located in Mandan, North Dakota. Based on the information submitted in the March 25, 2004 report, EPA has determined that the incident is excepted under Paragraph 22(A)(i)(i). Therefore, the provisions of Paragraph 22(C)(i) and the penalty provisions of Paragraph 47 do not apply to this incident.

Tesoro reported that the February 25, 2004 flaring incident lasted for 25.55 hours and resulted in the release of 12.2 tons of sulfur dioxide (SO₂) to the atmosphere. Tesoro routed the acid gas to the flare during a planned shutdown of the Sulfur Recovery Plant (SRP) for scheduled maintenance.

During this incident, Tesoro followed the sulfur shedding provisions as described in the SRP Operations and Maintenance Plan. In addition, Tesoro had purchased two new reheat

exchangers in preparation for the shutdown. The use of these replacement exchangers reduced the duration of the shutdown and the flaring incident.

Tesoro asserted that the root cause for this flaring incident was the planned shutdown of the SRP and addressed only Paragraphs 22(A)(i)(a-d), as allowed for incidents excepted under Paragraph 22(A)(i)(i). EPA agrees that this flaring incident is excepted under Paragraph 22(A)(i)(i); therefore, EPA does not assess any penalties.

Given that this incident is excepted under Paragraph 22(A)(i)(i), it is also excepted from the rolling 12-month count of acid gas flaring incidents.

Should you have any questions or if you wish to discuss this matter, please contact Mr. Scott Whitmore at (303) 312-6317.

Sincerely,

Adam M Kushnek Acting Director

Air Enforcement Division

cc (electronically):

Alan R. Anderson, Mandan Refinery Scott Whitmore, U.S. EPA. Region 8

Nathan Frank, U.S. EPA, Region 5

Patric McCoy, U. S. EPA, Region 5

Teresa Dykes, U.S. EPA, HQ Jim Semerad, Division of Air Quality, NDDH

Norma Eichlin, MATRIX Env. and Geotech. Services